



1201 CONNECTICUT AVENUE, NW
Suite 500
WASHINGTON, DC 20036
Telephone: 202-496-1000
Facsimile: 202-496-1300

FACSIMILE

DATE: MAY 26, 2009

TO: Department of Justice, Registration Unit

FAX NUMBER: (202) 514-2836

FROM: Qorvis Communications, LLC. (202) 496-1000

PAGE COUNT: 2 – (Including Cover Page)

2009 JUN -9 PM 5:04
CRM/CES/REGISTRATION UNIT

COMMENTS:

The material I am submitting is from Qorvis Communications, LLC.

Registration #5483

The material is being distributed on behalf of the Royal Embassy of Saudi Arabia in Washington, DC.

If you do not receive all pages of this facsimile, please call (202) 496-1000. The information contained in this facsimile is confidential information intended only for the use of the individual/entity referred to above. You are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this in error, please notify us immediately at the number above and return the original via the U.S. Postal Service.

Saudi stocks are best Gulf Arab investment: Merrill

Reuters

June 7, 2009

DUBAI- Saudi equities are the best investment among Gulf Arab stocks because of the country's oil reserves and large economy, and the Dubai market is the cheapest, brokerage Merrill Lynch said in a report on Sunday.

"As access improves we would expect further gains in the Saudi market, so long as oil prices remain reasonably strong," Merrill said in the report.

Saudi Arabia is the world's biggest oil exporter, the biggest Arab economy and has the largest equities market in the Gulf Arab region. Gulf equities tumbled in 2008 as the financial crisis hit home and oil prices lost nearly two-thirds of their value from a peak of \$147 a barrel in July, slashing the main source of income in the world's biggest oil exporting region.

The markets have recouped some of their losses after Gulf Arab governments ramped up spending to lift their economies and oil prices started to rally at over \$60 a barrel.

Gulf Arab stock markets, which have gained 1.2 percent year-to-date, are cheaper than other emerging markets, which are up 33 percent year-to-date, the report said.

"We see the region as a compelling buy for investors looking for laggards. Gulf equities have lagged the oil price, the Russia equity market and the emerging market small cap stocks," the report said.

The Dubai equities market is the cheapest among all emerging markets, due to the fall in oil and real estate prices, the report said.

"It is now cheap, unloved and a combo of oil above \$60 a barrel and improving credit spreads are powerful drivers, in our view," the report said.

The once-booming property market in Dubai, a member of the United Arab Emirates, has been hit particularly hard by the global economic downturn. Prices tumbled 41 percent in the first quarter, property consultant Colliers said in a recent report.

###

This material is distributed by Qorvis Communications, LLC on behalf of the Royal Embassy of Saudi Arabia. Additional information is available at the Department of Justice, Washington, DC.